

Utah State Tax Commission Property Tax Division 210 North 1950 West / Salt Lake City, Utah 84134 / (801) 297-3600

2005 ANNUAL RETURN

by the State Tax Commission, first day of January, 2005, as re	owned byequired under the laws	as of 12:00, on the of Utah. This return must be filled out and rch 1, 2005 as prescribed by law.				
Mailing Address:		FEIN #:				
Company Name:						
ATTN: _						
City, State, Zip: _						
State Taxpayer No	Phone No	Fax No				
Ι,						
(Name)		(Title*)				
of the above named company, being duly sworn, depose and say that I am the above entitled officer of the said company, and that the electronic file contains complete, true and correct listings of the costs of all property owned and/or leased by the said company in the State of Utah, at 12:00 noon, on the first day of January, 2005.						
		Signature				

*President, Vice President, General Superintendent, Auditor, Tax Agent, or some other general officer of such company, as the case may be, who is authorized to file such a return.

UTAH STATE TAX COMMISSION PROPERTY TAX DIVISION 2005 CAPITALIZED NET REVENUE (CNR) INCOME QUESTIONNAIRE INSTRUCTIONS

The CNR method of valuation utilizes historical income and costs based on the taxpayer's actual operating history for the past five years, or less if operating less than five years.

Please fill in Taxpayer Name, State Taxpayer Number, Mine Name, County and Property Cross-Reference (X-Ref) Number (if known). Only income and costs for the past year (2004) are needed, if the net revenues have been filed for the previous years with the Property Tax Division. If this mine has been active in the previous five years and a CNR Questionnaire has not been filed for those years, it is necessary to file a questionnaire for each of those years. Only costs directly related to, and necessary for, the mining operations are allowed (match revenue to costs). The Taxpayer is required to complete Lines 1 through 20 and attach applicable schedules.

- 1. **Gross Mineral Sales -** Enter details on Schedule 1: each mineral sold, number of units sold, unit type (ton, yard, oz., etc.), value per unit and the 2004 income received. Enter the total from Schedule 1 on Line 1 of the Income Questionnaire.
- 2. **Self-Consumed Minerals Using Representative Sales -** Enter details on Schedule 2: each mineral sold, number of units sold, unit type (ton, yard, oz., etc.), value per unit and the value for each type of mineral. Enter the total from Schedule 2 on Line 2 of the Income Questionnaire. The unit price should be based on representative unit sales prices of like minerals, determined from actual sales of like minerals sold by the taxpayer, actual sales of like minerals by other taxpayers, and/or posted prices of like minerals.
- 3. **Premiums, Bonuses and Subsidies -**The total amount received for premiums, bonuses and subsidies, etc., from the federal government or any other source, concerning settlement payment, whether paid for the mineral or the production thereof. If an exemption is claimed for any amount, such claim may be stated on the return or in a letter accompanying the return.
- 4. **Interest Income -** All interest received relating to the mining operation should be reported.
- 5. **Other Income** Include all income received which is not listed on Lines 1 through 4 above. Examples would be transportation reimbursements, sale of assets, and royalties received. Show royalty details on Schedule 5.
- 6. **Salaries and Wages -** Only the portion of management salaries, which pertains to the mining operation, can be used as an allowable cost.
- 7. **Payroll Taxes and Benefits -** Include all fringe benefits and taxes associated with allowable labor costs.
- 8. **Workers Compensation Insurance -** The amount paid for workers compensation insurance, or in lieu of that compensation insurance for compensation of injured employees, and the compensation paid to the dependents of employees, required to be paid under the Worker's Compensation law of Utah.
- 9. **General Insurance -** General insurance policy premiums paid are allowed. Do not include self-insurance amounts that may be listed on company records.
- 10. **Severance Taxes -** Taxes paid to Federal, State, City, Local Governments and Indian Nations.
- 11. **Sales and Use Taxes -** Actual sales taxes paid, if included in reported income.
- 12. **Supplies and Tools -** Cost of supplies and tools purchased.
- 13. **Utilities -** Cost of utilities paid.

CONTINUED ON REVERSE

14. **Maintenance and Repairs -** Maintenance and repair costs, including capitalized repairs, should be

listed here.

- 15. **Office and Accounting -** Only the portion of the office and accounting cost pertaining to the mining operation is allowed.
- 16. **Legal Fees -** Legal fees pertaining to the mining operation.
- 17. **Exempt Royalties -** Federal, State, City, Local Governments, and Indian Nations royalty payments are allowed. List recipient's name and telephone number. (Schedule 17)
- 18. **Fuel -** Costs of fuel utilized in operating the mine are allowed. Do not include fuel that is part of Line 19 (Transportation).
- 19. **Transportation -** Transportation costs are allowed to the point of sale or self-consumption. Match related income and expenses.
- 20. **Miscellaneous Costs -** Other costs identified by Administrative Rule R884-24P-7, which are not listed above, are allowed. Engineering, sampling and assaying, treatment, development, equipment rental, environmental cleanup and other costs that apply directly to the operation of the mining property. Interest expense is included in the capitalization rate and is therefore not allowed as an expense. (All miscellaneous costs must be explained on Schedule 20 or they will be disallowed.)

Deductibles - If assets are used in the mining operation and are taxed to someone else, or the taxes have already been paid/or will be paid on them, such as leased land, improvements, equipment and/or licensed vehicles, please list them on the 'Additions and Deletions of Land' or the 'Additions and Deletions of Personal Property and Improvements' forms. The value of these assets will be subtracted from your income valuation. For **leased land** include: owner, serial number, acreage and amount paid on the lease. When listing **licensed vehicles** include: make, model, serial number, year of acquisition and original cost. For **leased equipment** include: lessor's name and address, make, model, serial number, year of acquisition and rental costs.



UTAH STATE TAX COMMISSION PROPERTY TAX DIVISION 2005 CAPITALIZED NET REVENUE (CNR) INCOME QUESTIONNAIRE

Taxp	Taxpayer Name:		State Taxpayer No:		
Mine	Name:	County:			
		Property X-Ref	f No:		
GRO	SS INCOME				
1	Gross Mineral Sales	(SCHEDULE 1)	\$		
2	Self-Consumed Minerals - Representative Sales	(SCHEDULE 2)	\$		
3	Premiums, Bonuses and Subsidies		\$		
4	Interest Income		\$		
5	Other Income	(SCHEDULE 5)	\$		
	Total	(ADD LINES 1 THROUGH 5)	\$		
	OWABLE COSTS		*		
	Salaries and Wages		\$ ¢		
	Payroll Taxes and Employee Benefits		\$		
	Workers Compensation Insurance		\$		
	General Insurance		\$		
	Severance Taxes		\$		
	Sales and Use Taxes		\$ ¢		
	Supplies and Tools		\$		
	Utilities Maintagana and Banaira		\$		
	Maintenance and Repairs		\$		
	Office and Accounting		\$		
	Legal Fees		\$		
	Exempt Royalties	(SCHEDULE 17)	\$		
	Fuel:		\$		
	Transportation October		\$		
20	Miscellaneous Costs	(SCHEDULE 20)	\$		
	SubTotal (See Footnote 3)	(ADD LINES 6 THROUGH 20)	\$		

FOOTNOTES:

- 1. Miscellaneous Costs: See Income Questionnaire Instructions.
- 2. **Costs not Allowed:** Interest Expense, Bank Charges, Depletion, Amoritizaiton, Corporate overhead or other costs not directly related to the operation of the mining property.
- 3. **Costs Calculated by the Property Tax Division:** Federal Income Tax, State Income Tax, Property Tax and Depreciation.
- 4. **Deductibles:** See Income Questionnaire Instructions.



UTAH STATE TAX COMMISSION PROPERTY TAX DIVISION

2004 CAPITALIZED NET REVENUE (CNR) INCOME QUESTIONNAIRE SCHEDULES

Taxpayer Name:	State Taxpayer No:			
Mine Name:	County:			
	Property X-R	ef No:		
SCHEDULE 1: GROSS MINERAL SALES MINERAL TYPE	UNITS SOLD	UNIT TYPE	VALUE / UNIT	AMOUNT RECEIVED
MINICIONETTI	SIMIO GOLD	OIIII III E	VALUE / CIVIT	AMOONT RECEIVED
TOTAL GROSS SALES	(ENTER ON LINE 1)	<u> </u>		\$
SCHEDULE 2: SELF-CONSUMED MINERALS - USING REI	PRESENTATIVE SALES			
MINERAL TYPE	UNITS SOLD	UNIT TYPE	VALUE / UNIT	AMOUNT RECEIVED
		1		
		+		
TOTAL SELF-CONSUMED MINERALS	(ENTER ON LINE 2)			\$
SCHEDULE 5: OTHER INCOME (INCLUDES ALL ROYALTIE	ES RECEIVED)	I		
ROYALTY PAYEE AND ADDRESS		TELEPHON	IE NUMBER	AMOUNT RECEIVED
TOTAL OTHER INCOME	(ENTER ON LINE 5)			\$
SCHEDULE 17: EXEMPT ROYALTIES (INCLUDES ALL ROY	ALTIES PAID)	T		
ROYALTY PAYEE & ADDRESS		TELEPHON	IE NUMBER	AMOUNT PAID
TOTAL EXEMPT ROYALTIES	(ENTER ON LINE 17	")		\$
SCHEDULE 20: MISCELLANEOUS COSTS				AMOUNT DAID
DESCRIPTION OF MISCELLANEOUS COSTS				AMOUNT PAID
TOTAL MISCELLANEOUS COSTS:	(ENTER ON LINE 20))		\$



Utah State Tax Commission / Property Tax Division 2005 RETURN OF ASSESSMENT

CONSTRUCTION WORK IN PROGRESS (CWIP) DETAIL

210 North 1950 West, Salt Lake City, Utah 84134

Taxpayer Name: County: Property Name:			Tax Area:				
			1. Description and	Expected Completion of	all CWIP p	rojects.	
Description of Pro	pjects(s)		Expected Date of Completion		Cost as of Jan 1, 2005		
(a)							
(b)							
(c)							
(d)							
(e)							
2. Current Annual	Capitalization Rate =						
	of Construction Work in P	rogess					
CWIP Completion Date	Cost of CWIP	Р	resent Value Facto	Present Value of CWIP			
03/31/2005		Χ	0.974730734	=			
06/30/2005		Х	0.950100003	=			
09/30/2005		Χ	0.926091673	=			
12/31/2005		Х	0.902690016	=			
03/31/2006		Χ	0.879879702	=			
06/30/2006		Х	0.857645787	=			
09/30/2006		Х	0.835973708	=			
12/31/2006		Х	0.814849265	=			
03/31/2007		Х	0.794258622	=			
06/30/2007		Х	0.774188290	=			
09/30/2007		Х	0.754625120	=			
12/31/2007		Х	0.735556297	=			
03/31/2008		Х	0.716969329	=			
06/30/2008		Х	0.698852040	=			
09/30/2008		Х	0.681192562	=			
12/31/2008		Х	0.663979325	=			
03/31/2009		Х	0.647201056	=			
06/30/2009		Х	0.630846759	=			
09/30/2009		Х	0.614905724	=			
Total CWIP Cost =			resent Value of C f January 1, 2005				

This schedule is considered as part of the Return and is subject to the provisions mandated under Tax Commission Rule R884-24P-20 and Utah Code Annotated Sections 59-2-201 and 59-2-301.



Utah State Tax Commission Property Tax Division

Natural Resource Section

2005 ADDITIONS & DELETIONS OF LAND

Taxpayer Name:	Tax Area No:			
Name of Mine:				
County:				
Addition: Deletion:				
Property Description				
Property Name: State Property No: County Serial No: Mining Claim Survey No: Location: Township Range Total Parcel Acreage: Acreage Utilized for Mining: IF OWNED: Date Recorded By County: County Book & Page No: Purchase Price: IF LEASED: From Whom: To Whom: Name: Address: Address: Telephone No: Fax No: Email Address: Date of Lease: Terms of Lease:	Section			



Utah State Tax Commission

Property Tax Division Natural Resource Section

2005 LEASED ASSETS

Taxpayer:	State Taxpayer No:
Property Name:	Tax Area:
County:	Property X-Ref No:

Please list all leased assets on your mine site for which you are not responsible for paying the property taxes.

	RENTAL	EQUIP.	
DESCRIPTION OF LEASED ASSET	EXPENSE	COST	LESSOR
			NAME:
			ADDRESS:
			TELEPHONE NUMBER:
			NAME:
			ADDRESS:
			TELEPHONE NUMBER:
			NAME:
			ADDRESS:
			TELEPHONE NUMBER:
			NAME:
			ADDRESS:
			TELEPHONE NUMBER:
			NAME:
			ADDRESS:
			TELEPHONE NUMBER:
			NAME:
			ADDRESS:
			TELEPHONE NUMBER:
			NAME:
			ADDRESS:
			TELEPHONE NUMBER:
			NAME:
			ADDRESS:
			TELEPHONE NUMBER:



Taxpayer Name: _

UTAH STATE TAX COMMISSION / PROPERTY TAX DIVISION

210 NORTH 1950 WEST, SALT LAKE CITY, UT 84134 (801) 297-3600

2005 RETURN OF ASSESSMENT

ADDITIONS / DELETIONS OF PERSONAL PROPERTY & IMPROVEMENTS

Property Name:						County:			
						Property No.:			
Add or Delete	Туре	Make	Model	Description	Serial Nbr.	Taxpayer Equip. Nbr.		Personal Property Class	Acquisition Cost
						1			
						+			

Taxpayer No: